

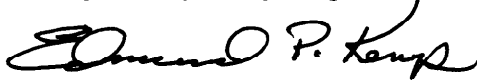
NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



**Director, Program Policy Division
Bureau of Medicaid Policy and Actuarial Services**

Project Number:	0436-NF	Comments Due:	11/15/04	Proposed Effective Date:	January 1, 2005
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Policy Subject: Hospital & Therapeutic Leave Days
Nursing Facility Transition Leave Days

Affected Programs: Medicaid

Distribution: Nursing Facilities and Hospice

Policy Summary:

Nursing Facilities - Hospital/Therapeutic Leave Days

On September 30, 2004, the passage of Senate Bill 1164 amended the Michigan Public Health Code to modify the requirement on reimbursement to nursing facilities to hold beds open for Medicaid beneficiaries who are temporarily absent from the facility for emergency medical care (hospital leave) or a therapeutic reason (for non-medical leave). The modification is that Medicaid will pay to hold a beneficiary's bed only when the facility's total bed occupancy is at 98% or more on the day the beneficiary leaves the facility.

Hospices - Hospital/Therapeutic Leave Days

Medicaid reimbursement to hospices for hospital and therapeutic leave days was based on Medicaid's nursing facility policy. Because of the above change, the hospice policy will also change. Effective for dates of service on and after January 1, 2005, the above 98% occupancy rule for nursing facilities will also apply to hospices. The hospice must not bill Medicaid for hospital or therapeutic leave days if the facility's occupancy is less than 98% on the day the beneficiary leaves the facility.

Nursing Facility Transition Leave Days (Revenue Code 0189)

For Medicaid beneficiaries transitioning from a nursing facility to a lower level of care (e.g., licensed assisted living, home), Medicaid will reimburse the facility for Transition Leave Days during the transition period. For dates of service on and after January 1, 2005, these Transition Leave Days may be billed under Revenue Code 0189 "Other Leave of Absence". The nursing facility may bill this code once every 6 months, and the quantity is limited to 10 days per 6-month period.

Proposed Policy Draft

Michigan Department of Community Health
Medical Services Administration

Distribution: Nursing Facilities
Hospices

Issued: December 1, 2004 (Proposed)

Subject: Hospital/Therapeutic Leave Days
Transition Leave Days

Effective: January 1, 2005

Programs Affected: Medicaid

Nursing Facilities - Hospital/Therapeutic Leave Days

On September 30, 2004, the passage of Senate Bill 1164 amended the Michigan Public Health Code to modify the requirement on reimbursement to nursing facilities to hold beds open for Medicaid beneficiaries who are temporarily absent from the facility for emergency medical care (hospital leave) or a therapeutic reason (for non-medical leave). The modification is that Medicaid will pay to hold a beneficiary's bed only when the facility's total bed occupancy is at 98 percent or more on the day the beneficiary leaves the facility. The 98 percent or more occupancy does not include beds held open for hospital or therapeutic leave day(s).

This change is effective for dates of service on and after January 1, 2005. Except as explained above, Medicaid's policy on hospital and therapeutic leave days, as outlined in the Nursing Facilities Coverages and Limitations Chapter, remains unchanged.

Reminder (Coverages and Limitations Chapter – Section 10)

Facilities are reminded beneficiaries must be readmitted immediately to the first available bed (if the beneficiary still requires nursing home services and is still Medicaid eligible).

Hospices - Hospital/Therapeutic Leave Days

Medicaid reimbursement to hospices for hospital and therapeutic leave days was based on Medicaid's nursing facility policy. Because of the above change, the hospice policy will also change. Effective for dates of service on and after January 1, 2005, the above 98 percent occupancy rule for nursing facilities will also apply to hospices. The hospice must not bill Medicaid for hospital or therapeutic leave days if the facility's occupancy is less than 98 percent.

Post-Payment Review (General Information Chapter – Section 14)

Medicaid will conduct post-payment reviews of nursing facility and hospice claims to assure the services billed comply with Medicaid published policy.

Nursing Facilities - Transition Leave Days (Revenue Code 0189)

For Medicaid beneficiaries transitioning from a nursing facility to a lower level of care (e.g., licensed assisted living, home), Medicaid will reimburse the facility for Transition Leave Days during the transition period. For dates of service on and after January 1, 2005, these Transition Leave Days may be billed under Revenue Code 0189, "Other Leave of Absence". The nursing facility may bill this code once every 6 months, and the quantity is limited to 10 days per 6-month period. The facility cannot bill Medicaid for Transition Leave Days once it is known that a beneficiary's transition has been successful.

Transition Leave Days may be used as a trial period in a new setting or for gradual transition back to a home setting, etc.

Note: Transition Leave Days are not covered for hospice providers.